



**Santa Barbara County
Air Pollution Control District**

JUN 03 2008

Mr. Gerardo Rios
USEPA – Permits Office (AIR 3)
75 Hawthorne Street
San Francisco, CA 94105

FID: 03035
Permit: PM 08103-01
SSID: 01063

Re: Proposed Minor Permit Modifications to Venoco Inc.'s Beachfront Lease Part 70/APCD PTO
8103-R6

Dear Mr. Rios:

This letter transmits Proposed Minor Permit Modification Permit to Operate (PTO) Modification 8103 01 for modifications to Part 70/APCD PTO 8103-R6. Included with the proposed permit is a copy of the application submitted by the applicant for this modification. We plan to issue this minor permit modification as final after July 21, 2008 provided your office has not objected to such issuance during this time interval.

If you have any questions, please contact Ben Ellenberger of my staff at (805) 961-8879.

Sincerely,



Michael Goldman, Manager
Engineering & Compliance Division

enc: Proposed PTO Mod 8103 01
Application forms for Minor Modifications to Venoco's Beachfront Lease

cc: Beachfront Lease Facility 003035 Project File NC/SC
ECD Chron File



**Santa Barbara County
Air Pollution Control District**

Post Office Box 6447
Santa Barbara, CA 93160-6447

Invoice: PM 08103 - 01

Date: JUN 03 2008

Terms: Net 30 Days

300000/6600

INVOICE

BILL TO:

Accounts Payable
Venoco, Inc.
370 17th Street, Suite 2950
Denver, CO 80202

FACILITY:

Beachfront Lease
03035
Lease 421 - Beachfront
Goleta

Permit: Permit to Operate (PTO) No. 08103 - 01

Fee Type: Permit Evaluation Fee (see the Fee Statement in your permit for a breakdown of the fees)

Amount Due: \$ 354

REMIT PAYMENTS TO THE ABOVE ADDRESS

Please indicate the invoice number PM 08103 - 01
on your remittance.

IF YOU HAVE ANY QUESTIONS REGARDING YOUR INVOICE PLEASE CONTACT
OUR ADMINISTRATION DIVISION AT (805) 961-8800

The APCD charges \$25 for returned checks. Other penalties/fees may
be incurred as a result of returned checks and late payment (see APCD Rule 210). Failure to pay this Invoice may result in the
cancellation or suspension of your permit. Please notify the APCD regarding any changes to the above information



Permit to Operate Mod 8103 01

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EQUIPMENT OWNER:

Venoco, Inc.

300000

EQUIPMENT OPERATOR:

Venoco, Inc.

EQUIPMENT LOCATION:

Lease 421 – Beachfront, Goleta, CA

STATIONARY SOURCE/FACILITY:

Venoco - Ellwood Stationary Source

SSID: 01063

Beachfront Lease

FID: 03035

AUTHORIZED MODIFICATION

This permit revises Permit to Operate (“PTO”) No. 8103-R6 fugitive hydrocarbon component counts and fugitive Reactive Organic Compound (“ROC”) emissions, based on corrected counts of components at the facility. This results in a small increase in the facility ROC emissions. This corrected fugitive component leak path count is due to pre-existing components which were inadvertently left out of the past inventory. No physical equipment or operational changes are authorized.

EQUIPMENT DESCRIPTION

The equipment listed in the table of PTO 8103-R6 Section 9.C.1 is revised to include different fugitive hydrocarbon component types and counts, as detailed in Table 1 (*Fugitive Hydrocarbon Emissions Components*) of this permit. The Equipment List of PTO 8103-R6 Section 10.5 item 3 (*Fugitive Components - Leak Paths Method*) is also revised to include different component types and counts, as detailed in Table A - Permit Equipment List of this permit.

PROCESS/PROJECT DESCRIPTION

Oil and water was produced at a coastal (beach line) well and was pumped using a gas-fired IC engine. This oil and gas well is located on a pier designated SLC-421-2. The emulsion was piped to a second adjacent pier designated SLC-421-1, where the emulsion passed through a free-water knockout vessel and entered a storage tank either directly or through a small test tank. Oil was piped to Line 96 and then sent to the Ellwood Marine Terminal. The water separated from the emulsion was disposed by re-injection into the producing formation through a disposal well on SLC-421-1 using a gas-fired IC engine. The facility was capable of processing 250 barrels of dry oil per day. Currently no crude oil production is occurring at the facility and the production and separation equipment is no longer on-site. For a detailed description of the equipment units and the operations at the lease, please refer to APCD Permit to Operate No. 8103-R6 and Renewal Part 70 Operating Permit No. 8103-R6 issued in December 2005.

A *Standard Administrative Conditions*

The following federally-enforceable administrative permit conditions apply to the Beachfront Lease:

A.1 Compliance with Permit Conditions.

- (a) The permittee shall comply with all permit conditions in Sections 9.A, 9.B and 9.C.
- (b) This permit does not convey property rights or exclusive privilege of any sort.
- (c) Any permit noncompliance with sections 9.A, 9.B, or 9.C constitutes a violation of the Clean Air Act and is grounds for enforcement action; for permit termination, revocation and re-issuance, or modification; or for denial of a permit renewal application.
- (d) It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- (e) A pending permit action or notification of anticipated noncompliance does not stay any permit condition.
- (f) Within a reasonable time period, the permittee shall furnish any information requested by the Control Officer, in writing, for the purpose of determining:
 - (i) compliance with the permit, or
 - (ii) whether or not cause exists to modify, revoke and reissue, or terminate a permit or for an enforcement action.
- (g) In the event that any condition herein is determined to be in conflict with any other condition contained herein, then, if principles of law do not provide to the contrary, the condition most protective of air quality and public health and safety shall prevail to the extent feasible.

[Re: 40 CFR Part 70.6.(a)(6), APCD Rules 1303.D.1]

- A.2 Emergency Provisions.** The permittee shall comply with the requirements of APCD Rule 505 (Upset/Breakdown rule) and/or APCD Rule 1303.F, whichever is applicable to the emergency situation. In order to maintain an affirmative defense under Rule 1303.F, the permittee shall provide the APCD, in writing, a “notice of emergency” within 2 working days of the emergency. The “notice of emergency” shall contain the information/documentation listed in Sections (1) through (5) of Rule 1303.F. [Re: 40 CFR 70.6(g), APCD Rule 1303.F]

A.3 Compliance Plan.

- (a) The permittee shall comply with all federally enforceable requirements that become applicable during the permit term in a timely manner.
- (b) For all applicable equipment, the permittee shall implement and comply with any specific compliance plan required under any federally enforceable rules or standards.
[Re: APCD Rule 1302.D.2]

A.4 Right of Entry. The Regional Administrator of USEPA, the Control Officer, or their authorized representatives, upon the presentation of credentials, shall be permitted to enter upon the premises where a Part 70 Source is located or where records must be kept:

- (a) To inspect the stationary source, including monitoring and control equipment, work practices, operations, and emission-related activity;
 - (b) To inspect and duplicate, at reasonable times, records required by this Permit to Operate;
 - (c) To sample substances or monitor emissions from the source or assess other parameters to assure compliance with the permit or applicable requirements, at reasonable times.
- Monitoring of emissions can include source testing.
[Re: APCD Rule 1303.D.2]

A.5 Severability. The provisions of this Permit to Operate are severable and if any provision of this Permit to Operate is held invalid, the remainder of this Permit to Operate shall not be affected thereby. [Re: APCD Rules 103 and 1303.D.1]

A.6 Payment of Fees. The permittee shall reimburse the APCD for all its Part 70 permit processing and compliance expenses for the stationary source on a timely basis. Failure to reimburse on a timely basis shall be a violation of this permit and of applicable requirements and can result in forfeiture of the Part 70 permit. Operation without a Part 70 permit subjects the source to potential enforcement action by the APCD and the USEPA pursuant to section 502(a) of the Clean Air Act. [Re: APCD Rules 1303.D.1 and 1304.D.11, 40 CFR 70.6(a)(7)]

A.7 Deviation from Permit Requirements. The permittee shall submit a written report to the APCD documenting each and every deviation from the requirements of this permit or any applicable federal requirements within 7 days after discovery of the violation, but not later than 180 days after the date of occurrence. The report shall clearly document 1) the probable cause and extent of the deviation 2) equipment involved, 3) the quantity of excess pollutant emissions, if any, and 4) actions taken to correct the deviation. The requirements of this condition shall not apply to deviations reported to APCD in accordance with Rule 505. *Breakdown Conditions*, or Rule 1303.F *Emergency Provisions*. [APCD Rule 1303.D.1, 40 CFR 70.6(a)(3)]

A.8 Reporting Requirements/Compliance Certification. The permittee shall submit compliance certification reports to the USEPA and the Control Officer every six months. These reports shall be submitted on APCD forms and shall identify each applicable requirement/condition of the permit, the compliance status with each requirement/condition, the monitoring methods used to determine compliance, whether the compliance was continuous or intermittent, and include detailed information on the occurrence and correction of any deviations (excluding emergency upsets) from permit requirement. The reporting periods shall be each half of the calendar year, e.g., January through June for the first half of the year. These reports shall be submitted by

September 1 and March 1, respectively, each year. Supporting monitoring data shall be submitted in accordance with the "Semi-Annual Compliance Verification Report" condition in section 9.C. The permittee shall include a written statement from the responsible official, which certifies the truth, accuracy, and completeness of the reports. [Re: APCD Rules 1303.D.1, 1302.D.3, 1303.2.c]

- A.9 **Federally Enforceable Conditions.** Each federally enforceable condition in this permit shall be enforceable by the USEPA and members of the public. None of the conditions in the APCD-only enforceable section of this permit are federally enforceable or subject to the public/USEPA review [Re: CAAA, § 502(b)(6), 40 CFR 70.6(b)]
- A.10 **Recordkeeping Requirements.** The permittee shall maintain records of required monitoring information that include the following:
- (a) The date, place as defined in the permit, and time of sampling or measurements;
 - (b) The date(s) analyses were performed;
 - (c) The company or entity that performed the analyses;
 - (d) The analytical techniques or methods used;
 - (e) The results of such analyses; and
 - (f) The operating conditions as existing at the time of sampling or measurement;

The records, as well as all supporting information including calibration and maintenance records, shall be maintained for a minimum of five (5) years from date of initial entry by the permittee and shall be made available to the APCD upon request.
[Re: APCD Rule 1303.D.1.f, 40 CFR 70.6(a)(3)(ii)(A)]

- A.11 **Conditions for Permit Reopening.** The permit shall be reopened and revised for cause under any of the following circumstances:
- (a) Additional Requirements: If additional applicable requirements (e.g., NSPS or MACT) become applicable to the source which has an unexpired permit term of three (3) or more years, the permit shall be reopened. Such a reopening shall be completed no later than 18 months after promulgation of the applicable requirement. However, no such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended. All such re-openings shall be initiated only after a 30 day notice of intent to reopen the permit has been provided to the permittee, except that a shorter notice may be given in case of an emergency.
 - (b) Inaccurate Permit Provisions: If the APCD or the USEPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emission standards or other terms or conditions of the permit, the permit shall be reopened. Such re-openings shall be made as soon as practicable.
 - (c) Applicable Requirement: If the APCD or the USEPA determines that the permit must be revised or revoked to assure compliance with any applicable requirement including a federally enforceable requirement, the permit shall be reopened. Such re-openings shall be made as soon as practicable.

Administrative procedures to reopen a permit shall follow the same procedures as apply to initial permit issuance. Re-openings shall affect only those parts of the permit for which cause to reopen exists. If the permit is reopened, and revised, it will be reissued with the expiration date that was listed in the permit before the re-opening. [Re: 40 CFR 70.7(f), 40 CFR 70.6(a)]

9.B Generic Conditions

The generic conditions listed below apply to all emission units, regardless of their category or emission rates. These conditions are federally enforceable. Compliance with these requirements is discussed in Section 3. In case of a discrepancy between the wording of a condition and the applicable federal or APCD rule(s), the wording of the rule shall control.

- B.1 Circumvention (Rule 301).** A person shall not build, erect, install, or use any article, machine, equipment or other contrivance, the use of which, without resulting in a reduction in the total release of air contaminants to the atmosphere, reduces or conceals an emission which would otherwise constitute a violation of Division 26 (Air Resources) of the Health and Safety Code of the State of California or of these Rules and Regulations. This Rule shall not apply to cases in which the only violation involved is of Section 41700 of the Health and Safety Code of the State of California, or of APCD Rule 303. [Re: APCD Rule 301]
- B.2 Nuisance (Rule 303).** No pollutant emissions from any source at Venoco shall create nuisance conditions. No operations shall endanger health, safety or comfort, nor shall they damage any property or business. [Re: APCD Rule 303]

C. Equipment Specific Conditions

Federally-enforceable conditions, including emissions and operations limits, monitoring, recordkeeping and reporting are included in this section for each specific group of equipment. This section may also contain other non-generic conditions.

The conditions below supersede condition 9.C.1 in PTO 8103-R6 (12/22/05). The attached Tables 5.1-1, 5.1-2, 5.1-3, 5.1-4, 5.2, and 10.1-1 supersede those in PTO 7996-R7. Table 5.3 is not changed because the fugitive components do not contribute to the Federal Potential to Emit. All other conditions in PTO 7996-R7 remain in full force and effect.

- C.1 Fugitive Hydrocarbon Emissions Components.** The following equipment units are included in this emissions unit category:

APCD ID No.	Venoco Equipment ID No.	Name
		<i>Oil Service Components</i>
106452	Not Applicable	Connections – Accessible (89 comp-l-p)
106453	Not Applicable	Connections – Unsafe (28 comp-l-p)
106451	Not Applicable	Valves – Accessible (17 comp-l-p)
111143	Not Applicable	Valves – Unsafe (10 comp-l-p)
		<i>Gas-Light Liquid Service Components</i>
111145	Not Applicable	Valves – Accessible (10 comp-l-p)
111146	Not Applicable	Connections – Accessible (43 comp-l-p)

- (a) Emission Limits: Mass emissions from the oil service components listed above shall not exceed the limits listed in Table 5.1-3. Compliance with these limits shall be assessed through compliance with the monitoring, recordkeeping and reporting conditions in this permit.
- (b) Operational Limits: Operation of the equipment listed in this section shall conform to the requirements listed in APCD Rule 331.D and E. Compliance with these limits shall be assessed through compliance with the monitoring, recordkeeping and reporting conditions in this permit. In addition Venoco shall meet the following requirement:
- The APCD-approved I&M Plan for the Beachfront Lease (dated 5/28/02) shall be implemented for the life of the project. The Plan, and any subsequent APCD-approved revisions, is incorporated by reference as an enforceable part of this permit.
- (c) Monitoring: The equipment listed in this section is subject to all the monitoring requirements listed in APCD Rule 331.F. The test methods in Rule 331.H shall be used, when applicable.
- (d) Recordkeeping: The equipment listed in this section is subject to all the recordkeeping requirements listed in APCD Rule 331.G.
- (e) Reporting: The equipment listed in this section is subject to all the reporting requirements listed in APCD Rule 331.G. On a semi-annual basis, a report detailing the previous six month's activities shall be provided to the APCD. The report must list all data required by the Compliance Verification Reports condition of this permit. [Reference: APCD ATC 8103, APCD Rule 331, 40 CFR 70.6(a)(3)]

D. APCD-Only Conditions

The following section lists permit conditions that are not enforceable by the USEPA or the public. However, these conditions are enforceable by the APCD and the State of California. These conditions are issued pursuant to APCD Rule 206 (*Conditional Approval of Authority to Construct or Permit to Operate*)

- D.1 **Permit Activation.** All aspects of this permit are enforceable by the APCD and the State of California upon the issuance date stamped below. The Part 70 aspects of this permit are not final until:

Permit to Operate Mod 8103 01

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- (a) The USEPA has provided written comments to the APCD and these comments require no modification to this permit. The APCD will issue a letter stating that this permit is a final Part 70 permit. The effective date that this permit will be considered a final Part 70 permit will be the date stamped on the APCD's letter.
- (b) After the USEPA has provided the APCD written comments that require a modification to this permit, the APCD will modify this permit to address the USEPA's comments and issue the Part 70 permit as final. The re-issued permit will supersede this permit in its entirety.
- D.2. **Compliance.** Nothing contained within this permit shall be construed as allowing the violation of any local, state or federal rules, regulations, air quality standards or increments.
- D.3. **Severability.** In the event that any condition herein is determined to be invalid, all other conditions shall remain in force.
- D.4. **Grounds for Revocation.** Failure to abide by and faithfully comply with this permit or any Rule, Order, or Regulation may constitute grounds for revocation pursuant to California Health & Safety Code Section 42307 et seq.



AIR POLLUTION CONTROL OFFICER

JUN 03 2008

DATE

Attachments:

- Table 5.1-1 – Operating Equipment Description
- Table 5.1-2 – Equipment Emission Factors
- Table 5.1-3 – Permitted Emission Limits; Hourly and Daily Emissions
- Table 5.1-4 – Permitted Emission Limits; Quarterly and Annual Emissions
- Table 5.2 – Total Permitted Facility Emissions
- Attachment 10.1 – Emissions Calculation Documentation
- Table A – Permit Equipment List
- Permit Evaluation for Permit to Operate 8103 01

Notes:

- Permit Reevaluation Due Date November 2008.

Table 5.1-1
Venoco Beachfront Lease PTO Mod 8103 01
Operating Equipment Description

Equipment Category	Emissions Unit	APCD Equipment No.	# Specifications	Fuel	% S	Size	Usage	Capacity	Usage Data	Units	Maximum Load Schedule	hr	day	yr	References
Fugitive Components: gas Valves - Accessible	Connections - Accessible		-	-	-	10 comp-lp	-	-	-	-	1	24	2190	8760	
Fugitive Components: oil Valves - Accessible	Valves - Accessible	106451	-	-	-	43 comp-lp	-	-	-	-	1	24	2190	8760	A
	Valves - Unsafe		-	-	-	17 comp-lp	-	-	-	-	1	24	2190	8760	
	Connections - Accessible	106452	-	-	-	10 comp-lp	-	-	-	-	1	24	2190	8760	
	Connections - Unsafe	106453	-	-	-	89 comp-lp	-	-	-	-	1	24	2190	8760	
			-	-	-	28 comp-lp	-	-	-	-	1	24	2190	8760	
Well Cellar	Well Cellar #421-2	100195	-	-	-	95 sq.ft	-	-	95 sq. ft	-	1	24	2190	8760	B
Solvent Usage	Cleaning/degreasing	106334	-	-	-	1 gal/yr	-	-	1 gal/yr	-	1.0	1.0	1.0	1.0	C

Table 5.1-2
Venoco Beachfront Lease PTO Mod 8103 01
Equipment Emission Factors

Equipment Category	Emissions Unit	APCD Equipment No.	NOx	RDC	CO	SOx	PM	PM10	Units	References
Fugitive Components: gas Valves - Accessible	Connections - Accessible		-	0.018290	-	-	-	-	lb/day/comp-lp	
Fugitive Components: oil Valves - Accessible	Valves - Accessible	106451	-	0.004340	-	-	-	-	lb/day/comp-lp	A
	Valves - Unsafe		-	0.000459	-	-	-	-	lb/day/comp-lp	
	Connections - Accessible	106452	-	0.002296	-	-	-	-	lb/day/comp-lp	
	Connections - Unsafe	106453	-	0.000224	-	-	-	-	lb/day/comp-lp	
			-	0.001000	-	-	-	-	lb/day/comp-lp	
Well Cellar	Well Cellar #421-2	100195	-	0.041400	-	-	-	-	lb/sq. ft./day	B
Solvent Usage	Cleaning/degreasing	106334	-	250	-	-	-	-	g/l	C

Table 5.1-3
Venoco Beachfront Lease PTO Mod 8103 01
Daily and Annual Emissions

Equipment Category	Emissions Unit	APCO Equipment No.	NOx lbs/day	RQC TPY	CO lbs/day	SOx TPY	PM10 lbs/day	PM10 TPY	Fugitive TPY	Fugitive TPY
Fugitive Components: ga Valves - Accessible			-	0.18	0.03	-	-	-	-	-
Connections - Accessible			-	0.19	0.03	-	-	-	-	-
Fugitive Components: oil Valves - Accessible		106451	-	0.01	0.00	-	-	-	-	FE
Valves - Unsafe			-	0.02	0.00	-	-	-	-	-
Connections - Accessible		106452	-	0.02	0.00	-	-	-	-	-
Connections - Unsafe		106453	-	0.03	0.01	-	-	-	-	-
			Sub-total:	0.45	0.08					
Well Cellar	Well Cellar #421-2	100195	-	3.93	0.72	-	-	-	-	FE
Solvent Usage	Cleaning/degreasing	106334	-	0.01	0.00	-	-	-	-	FE
TOTAL:			0.00	4.39	0.80	0.00	0.00	0.00	0.00	0.00
Notes										

FE = Federally enforceable

Table 5.2
Venoco Beachfront Lease PTO Mod 8103 01
Total Permitted Facility Emissions

A. Daily (lb/day)

Equipment Category	NOx	ROC	CO	SOx	PM	PM10
Fugitive Components	--	0.45	--	--	--	--
Well Cellar	--	3.93	--	--	--	--
Solvents	--	0.01	--	--	--	--
TOTALS (lb/day)	0.0	4.39	0.0	0.0	0.0	0.0

B. Annual (Ton/year)

Equipment Category	NOx	ROC	CO	SOx	PM	PM10
Fugitive Components	--	0.08	--	--	--	--
Well Cellar	--	0.72	--	--	--	--
Solvents	--	0.00	--	--	--	--
TOTALS (ton/yr)	0.00	0.80	0.00	0.00	0.00	0.00

10.1 Emission Calculation Documentation

This attachment contains relevant emission calculation documentation used for the emission tables in Section 5. Refer to Section 4 for the general equations. Supporting calculation spreadsheets are attached to this Section as tables, where necessary. The letters A-C refer to Tables 5.1-1 and 5.1-2.

Reference A - Fugitive Components (Component Leak Path Method)

- ☞ The maximum operating schedule is in units of hours
- ☞ All safe to monitor components are credited an 80 percent control efficiency. Unsafe to monitor components (as defined in Rule 331) are considered uncontrolled,
- ☞ The component leak path definition differs from the Rule 331 definition of a component. A typical leak path count for a valve would be equal to 4 (one valve stem, a bonnet connection and two flanges).
- ☞ Leak path counts are provided by applicant. The leak path count was revised by PTO Mod 8103 01. This count represents Venoco's best estimated count for the component-leak-paths for this facility.

Reference B - Well Cellar

- ☞ The maximum load schedule is in units of hours.
- ☞ Emission calculation methodology based on the CARB/KVB report *Emission Characteristics of Crude Oil Production Operations in California (1/83)* as implemented in APCD P&P 6100.060 and the APCD spreadsheet (attached).
- ☞ Calculations are based on surface area of the cellar. Control efficiency of 70% assumed for compliance with Rule 344.

Reference C - Solvents

- ☞ All solvents not used in or to thin surface coatings are included in this equipment category.
- ☞ Annual emission rates per prior permit. Daily number is annualized.

Attachment 10.1-1 Santa Barbara County APCD Fugitive ROC Emissions Calculation - CLP Method

ADMINISTRATIVE INFORMATION									
Attachment: 10.1-1									
Company: Venoco									
Facility: Beachfront Lease									
Processed by: CBE									
Date: April 15, 2008									
Path & File Name: \\sbccapcd.org\Shares\Groups\ENGR\W\P\PT070SRCE\PERMITS\IO&G-PROD\Venoco-Ellwood\Venoco Part 70 Current Permits - 2005\2005 PT70-APCD Permit for Beachfront\PTO Mod 8103 01\PTO Mod 8103 01 - FHC Calcs.xls\CMPEFUG									
Facility Type: (Choose one facility type by marking the box to the right of the facility type with an "x")									
Production Field		x	Gas Processing Plant			Refinery			Offshore Platform
Component:	Count	THC ¹ Emission Factor (lb/day-clp)	ROC/THC Ratio	Uncontrolled ROC Emission (lb/day)	Control ^{2,3} Efficiency	Controlled ROC Emission (lb/hr)	Controlled ROC Emission (Tons/Qtr)	Controlled ROC Emission (Tons/Yr)	
Gas Condensate Service	10	0.295	0.31	0.91	0.80	0.01	0.01	0.03	
Valves - Accessible/Inaccessible		0.295	0.31	0.00	0.00	0.00	0.00	0.00	
Valves - Unsafe		0.295	0.31	0.00	0.90	0.00	0.00	0.00	
Valves - Bellows		0.295	0.31	0.00	1.00	0.00	0.00	0.00	
Valves - Bellows / Background ppmv		0.295	0.31	0.00	0.84	0.00	0.00	0.00	
Valves - Category A		0.295	0.31	0.00	0.85	0.00	0.00	0.00	
Valves - Category B		0.295	0.31	0.00	0.87	0.00	0.00	0.00	
Valves - Category C		0.295	0.31	0.00	0.87	0.00	0.00	0.00	
Valves - Category D		0.295	0.31	0.00	0.88	0.00	0.00	0.00	
Valves - Category E		0.295	0.31	0.00	0.90	0.00	0.00	0.00	
Valves - Category F		0.295	0.31	0.00	0.92	0.00	0.00	0.00	
Valves - Category G	43	0.070	0.31	0.93	0.80	0.01	0.01	0.03	
Flanges/Connections - Accessible/Inaccessible		0.070	0.31	0.00	0.00	0.00	0.00	0.00	
Flanges/Connections - Unsafe		0.070	0.31	0.00	0.84	0.00	0.00	0.00	
Flanges/Connections - Category A		0.070	0.31	0.00	0.85	0.00	0.00	0.00	
Flanges/Connections - Category B		0.070	0.31	0.00	0.87	0.00	0.00	0.00	
Flanges/Connections - Category C		0.070	0.31	0.00	0.87	0.00	0.00	0.00	
Flanges/Connections - Category D		0.070	0.31	0.00	0.88	0.00	0.00	0.00	
Flanges/Connections - Category E		0.070	0.31	0.00	0.90	0.00	0.00	0.00	
Flanges/Connections - Category F		0.070	0.31	0.00	0.92	0.00	0.00	0.00	
Flanges/Connections - Category G		2.143	0.31	0.00	1.00	0.00	0.00	0.00	
Compressor Seals - To Atm		2.143	0.31	0.00	0.80	0.00	0.00	0.00	
Compressor Seals - To VRS		6.670	0.31	0.00	0.80	0.00	0.00	0.00	
PSV - To Atm/Flare		6.670	0.31	0.00	1.00	0.00	0.00	0.00	
PSV - To VRS		1.123	0.31	0.00	0.80	0.00	0.00	0.00	
Pump Seals - Single		1.123	0.31	0.00	1.00	0.00	0.00	0.00	
Pump Seals - Dual/Tandem									
Sub Total	53			1.85	1.00	0.015	0.370	0.017	0.067

Oil Service									
Valves - Accessible/Inaccessible	17	0.0041	0.56	0.04	0.80	0.00	0.01	0.00	0.00
Valves - Unsafe	10	0.0041	0.56	0.02	0.00	0.00	0.02	0.00	0.00
Valves - Bellows		0.0041	0.56	0.00	0.90	0.00	0.00	0.00	0.00
Valves - Bellows / Background ppmv		0.0041	0.56	0.00	1.00	0.00	0.00	0.00	0.00
Valves - Category A		0.0041	0.56	0.00	0.84	0.00	0.00	0.00	0.00
Valves - Category B		0.0041	0.56	0.00	0.85	0.00	0.00	0.00	0.00
Valves - Category C		0.0041	0.56	0.00	0.87	0.00	0.00	0.00	0.00
Valves - Category D		0.0041	0.56	0.00	0.88	0.00	0.00	0.00	0.00
Valves - Category E		0.0041	0.56	0.00	0.87	0.00	0.00	0.00	0.00
Valves - Category F		0.0041	0.56	0.00	0.88	0.00	0.00	0.00	0.00
Valves - Category G		0.0041	0.56	0.00	0.90	0.00	0.00	0.00	0.00
Valves/Connections - Accessible/Inaccessible	89	0.002	0.56	0.00	0.92	0.00	0.00	0.00	0.00
Flanges/Connections - Unsafe	28	0.002	0.56	0.10	0.80	0.00	0.02	0.00	0.00
Flanges/Connections - Category A		0.002	0.56	0.03	0.00	0.00	0.03	0.00	0.01
Flanges/Connections - Category B		0.002	0.56	0.00	0.84	0.00	0.00	0.00	0.00
Flanges/Connections - Category C		0.002	0.56	0.00	0.85	0.00	0.00	0.00	0.00
Flanges/Connections - Category D		0.002	0.56	0.00	0.87	0.00	0.00	0.00	0.00
Flanges/Connections - Category E		0.002	0.56	0.00	0.87	0.00	0.00	0.00	0.00
Flanges/Connections - Category F		0.002	0.56	0.00	0.88	0.00	0.00	0.00	0.00
Flanges/Connections - Category G		0.002	0.56	0.00	0.90	0.00	0.00	0.00	0.00
PSV - To Atm/Flare		0.267	0.56	0.00	0.92	0.00	0.00	0.00	0.00
PSV - To VRS		0.267	0.56	0.00	1.00	0.00	0.00	0.00	0.00
Pump Seals - Single		0.0039	0.56	0.00	0.80	0.00	0.00	0.00	0.00
Pump Seals - Dual/Tandem		0.0039	0.56	0.00	1.00	0.00	0.00	0.00	0.00
Sub Total	144			0.19		0.003	0.082	0.004	0.015
Total	197			2.04		0.019	0.452	0.021	0.082

Notes:

- 1 APCD P&P # 6100.061.1998.
- 2 A 80% efficiency is assigned to fugitive components Rule 331 implementation.
- 3 Emission Control efficiencies for the "category x" components are identified in "FHC Control Factors (ver 2.0)"

TABLE A - PERMIT EQUIPMENT LIST

PTO Mod 08103 01 / FID: 03035 Beachfront Lease / SSID: 01063

A PERMITTED EQUIPMENT

1 Fugitive Components - Leak Paths Method

1.1 Components in Oil Service

1.1.1 Valves -- Accessible

<i>Device ID #</i>	106451	<i>Device Name</i>	Valves -- Accessible
<i>Rated Heat Input</i>		<i>Physical Size</i>	17.00 Component Leakpath
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>			

1.1.2 Connections -- Accessible

<i>Device ID #</i>	106452	<i>Device Name</i>	Connections -- Accessible
<i>Rated Heat Input</i>		<i>Physical Size</i>	89.00 Component Leakpath
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>			

1.1.3 Connections -- Unsafe

<i>Device ID #</i>	106453	<i>Device Name</i>	Connections -- Unsafe
<i>Rated Heat Input</i>		<i>Physical Size</i>	28.00 Component Leakpath
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>			

1.1.4 Valves - Unsafe

<i>Device ID #</i>	111143	<i>Device Name</i>	Valves - Unsafe
<i>Rated Heat Input</i>		<i>Physical Size</i>	10.00 Component Leakpath
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>			

1.2 Components in Gas Service

1.2.1 Valves - Accessible

<i>Device ID #</i>	111145	<i>Device Name</i>	Valves - Accessible
<i>Rated Heat Input</i>		<i>Physical Size</i>	10.00 Component Leakpath
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>			

1.2.2 Connections - Accesible

<i>Device ID #</i>	111146	<i>Device Name</i>	Connections - Accesible
<i>Rated Heat Input</i>		<i>Physical Size</i>	43.00 Component Leakpath
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>			



PERMIT EVALUATION for
PERMIT TO OPERATE Mod 8103 01

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1.0 BACKGROUND

- 1.1 General: As part of the Compliance Verification Report for the second half of 2007 Venoco submitted fugitive component leak-path counts which differ from the leak path counts listed on the permit. Previous inspections of the facility have confirmed that no new equipment has been installed recently and no crude oil has been produced from this lease since 1994. Therefore the most likely cause of the discrepancies between the permit and the most recent counts is that these are existing components which have been overlooked in the past.

1.2 Permit History:

PERMIT	FINAL ISSUED	PERMIT DESCRIPTION
PT-70 ADM 11783	12/21/2005	See Pt-70/Reeval 8103
PT-70/Reeval 08103 R6	12/22/2005	This is a combined APCD reevaluation permit and federal Part 70 Renewal permit for Venoco. This PTO/Reeval has been issued in November 2002 Pt 70 application received May 10, 2005

1.3 Compliance:

Since the issuance of Pt70/PTO 8103-R6 on December 22, 2005, no Notice to Correct or Notice of Violation has been issued to Venoco for the Beachfront Lease.

2.0 ENGINEERING ANALYSIS

- 2.1 Equipment/Processes: The Beachfront Lease is currently not capable of producing oil and gas due to the physical absence and/or inoperability of key process equipment such as: the oil pipeline to Line 96, oil production tank, crude oil test tank, oil shipping pump, oil lift pump, various piping components and the natural gas-fired IC engines. Even if this equipment were still present, the facility could not operate in compliance with APCD rules without a gas gathering system for the free-water knockout vessel or a vapor recovery system for control of the tanks. Venoco must first obtain ATC permit(s) from the APCD to install these process units in order for production to

PERMIT EVALUATION FOR
PERMIT TO OPERATE MOD 8103 01

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commence. Further, any future operations to produce and/or process oil at the Beachfront Lease may require APCD permit approvals.

- 2.2 Emission Controls: The fugitive components at the lease are subject to Rule 331 and are inspected for leaks on the schedule established by the rule. A control efficiency of 80% is assumed for components which are part of the fugitive emissions inspection and maintenance plan. No control efficiency is assumed for components which are inaccessible or unsafe to monitor.
- 2.3 Emission Factors: The emission factors and calculations used to calculate fugitive ROC emissions are discussed below.
- 2.3.1 Fugitive ROC Emissions. In September 1998 the APCD issued P&P 061 which provides a methodology for calculating fugitive ROC emissions from crude oil production facilities based on fugitive leak-path counts. This methodology requires counts of fugitive leak-paths classified by type, service, and accessibility. The emissions factors used are based on API-Rockwell emissions factors which have been averaged to reduce the number of categories which must be counted.

For calculating fugitive ROC emissions the Beachfront Lease is considered a Production Field.

- 2.4 Reasonable Worst Case Emission Scenario: Section 5 of the Part 70/APCD PTO 8103-R6 defines the operational characteristics that comprise the reasonable worst case-operating scenario for this permit. Fugitive ROC emissions components are assumed to operate and emit 24 hours a day, 365 days a year.
- 2.5 Emission Calculations: The calculation methodology for the fugitive emissions is detailed in APCD P&P 061.
- Fugitive emissions are not part of the Federal Potential to Emit, therefore this project has no effect on the Federal PTE of the Beachfront Lease.
- 2.6 Special Calculations: No special calculations are required.
- 2.7 BACT Analyses: Best Available Control Technology was not required.
- 2.8 Enforceable Operational Limits: The permit has provisions that ensure the operational constraints listed herein are not exceeded, including compliance with the emissions limits of this permit and the requirements of Rule 331.
- 2.9 Monitoring Requirements: Monitoring of the equipment's operational limits are required to ensure that these are enforceable. Quarterly (or annual if no major gas or liquid leaks are detected for five consecutive quarters) monitoring of all accessible components is required. The components will be monitored with an organic vapor analyzer, consistent with the USEPA Method 21.

**PERMIT EVALUATION FOR
PERMIT TO OPERATE MOD 8103 01**

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- 2.10 Recordkeeping and Reporting Requirements: The permit requires that the data which is monitored be recorded and reported to the APCD. Venoco is required to record all component screening values.

3.0 REEVALUATION REVIEW (not applicable)

4.0 REGULATORY REVIEW

- 4.1 Partial List of Applicable Rules: This project is anticipated to operate in compliance with the following rules:

Rule 101. Compliance of Existing Facilities
Rule 205. Standards for Granting Permits
Rule 303. Nuisance
Rule 331. Fugitive Emissions Inspection and Maintenance
Rule 801. New Source Review
Rule 802. Nonattainment Review
Rule 803. Prevention of Significant Deterioration

4.2 Rules Requiring Review:

4.2.1 Rule 331 – Fugitive Emissions Inspection and Maintenance

Full implementation of Venoco's I&M Plan will satisfy the monitoring requirements of Rule 331.

- 4.3 NEI Calculations: The net emission increase calculation is used to determine whether certain requirements must be applied to a project (e.g., offsets, AQIA, PSD BACT). Because there is no physical change to the facility, and because the existing components which are being added to the permit are pre-1990 components, this permit action does not affect the facility NEI. The NEI values for the stationary source are documented in Table 5-5 of Part 70/PTO 8103-R6.

5.0 AQIA

The project is not subject to the Air Quality Impact Analysis requirements of Regulation VIII.

6.0 OFFSETS/ERCs

- 6.1 General: The emission offset thresholds of Regulation VIII are not exceeded by this permitting action.

- 6.2 Offsets: Offsets are not required for this permitting action.

- 6.3 ERCs: This source does not generate emission reduction credits.

7.0 AIR TOXICS

An air toxics health risk assessment was not performed for this permitting action.

8.0 CEQA / LEAD AGENCY

PERMIT EVALUATION FOR
PERMIT TO OPERATE MOD 8103 01

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The APCD is the lead agency for this project. This PTO is exempt from the California Environmental Quality Act ("CEQA") as per Appendix A, Section 1 (APCD Projects Exempt from CEQA).

9.0 SCHOOL NOTIFICATION

A school notice pursuant to the requirements of H&SC §42301.6 was not required.

10.0 PUBLIC and AGENCY NOTIFICATION PROCESS/ COMMENTS ON DRAFT PERMIT

10.1 This project is not subject to public notice.

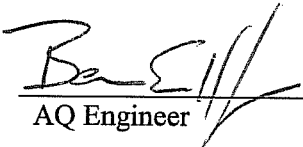
10.2 The permittee had no comments on the draft permit.

11.0 FEE DETERMINATION

Fees for this permit and all follow-up work associated with this permit are assessed on fee schedule basis.

12.0 RECOMMENDATION

It is recommended that this permit be granted with the conditions as specified in the permit.



AQ Engineer

5/30/08

Date



Engineering Supervisor

5/30/08

Date

ATTACHMENT

- A IDS Database Emission Tables
- B Fee Statement

ATTACHMENT A

IDS Database Emission Tables

IDS Database Emission Tables

Table 1
Permitted Potential to Emit (PPTE)

	NO _x	ROC	CO	SO _x	TSP	PM ₁₀
PTO Mod 8103 01						
lbs/day	0.00	0.39	0.00	0.00	0.00	0.00
tons/year	0.00	0.07	0.00	0.00	0.00	0.00

Table 2
Facility Potential to Emit (FPTE)

	NO _x	ROC	CO	SO _x	TSP	PM ₁₀
PTO Mod 8103 01 and Part 70/APCD PTO 8103-R6						
lbs/day	0.00	4.39	0.00	0.00	0.00	0.00
tons/year	0.00	0.80	0.00	0.00	0.00	0.00

Table 3
Federal PT-70 Potential to Emit (PT 70 FPTE)

	NO _x	ROC	CO	SO _x	TSP	PM ₁₀
PTO Mod 8103 01 and Part 70/APCD PTO 8103-R6						
lbs/hr	0.00	3.94	0.00	0.00	0.00	0.00
tons/year	0.00	0.72	0.00	0.00	0.00	0.00

FEE STATEMENT

PTO No. 08103 - 01

FID: 03035 Beachfront Lease / SSID: 01063



Permit Fee

Admin Change

354.00

Fee Statement Grand Total = \$354

Notes:

-
- (1) Fee Schedule Items are listed in APCD Rule 210, Fee Schedule "A".
 - (2) The term "Units" refers to the unit of measure defined in the Fee Schedule.